

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

The interests in the Company's issued shares at 30 September 2002 as recorded in the register required to be kept under Section 16 of the SDI Ordinance are as follows:

	Shares directly and/or indirectly held	Percentage of total issued shares
(i) Jumbo Easy Limited	51,984,279	42.14%
(ii) Neblett	51,984,279	42.14%
(iii) Winning Spirit International Corp	51,984,279	42.14%
(iv) HSBC International Trustee Limited	51,984,279	42.14%
(v) HSBC Europe (Netherlands) BV	51,984,279	42.14%
(vi) HSBC Europe BV	51,984,279	42.14%
(vii) Griffin International Limited	51,984,279	42.14%
(viii) Midcorp Limited	51,984,279	42.14%
(ix) HSBC Bank plc	51,984,279	42.14%
(x) HSBC Holdings plc	51,984,279	42.14%

Note: Jumbo Easy Limited, a wholly owned company of Mr Lo Hoi Yeung, Dennis was deemed to be interested in the relevant shareholdings of Neblett by virtue of its being a discretionary object of the trust which beneficially owns Neblett.

For the avoidance of doubt and double counting, it should be noted that duplication occurs in respect of the above-stated shareholdings to the extent that the shareholdings stated against party (i) above are entirely duplicated or included in the shareholdings stated against party (ii) above, with the same duplication of the shareholdings in respect of (ii) in (iii), (iii) in (iv), (iv) in (v), (v) in (vi), (vi) in (vii), (vii) in (viii), (viii) in (ix) and (ix) in (x); all of the abovementioned parties were deemed to be interested in the relevant shareholdings under the SDI Ordinance as at 30 September 2002.

Save for the aforesaid, no other person was recorded in the register kept pursuant to Section 16 of the SDI Ordinance as having an interest in ten per cent or more of the issued share capital of the Company as at 30 September 2002.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial report. All the three members of the Committee are independent non-executive Directors.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

No Director is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by the interim report, in compliance with the Code of Best Practice as set out in Appendix 14 to the Rules Governing The Listing of Securities of the Stock Exchange.

APPRECIATION

I would like to thank our shareholders for their support to Fairwood and my fellow Directors for their positive contribution. I would also like to give a special note of thank to all staff members for their dedication and commitment to their works, making a marked improvement on this half-yearly results.

By Order of the Board
Dennis Lo Hoi Yeung
Chairman and Chief Executive

Hong Kong, 16 December 2002